

IN THE UNITED STATES DISTRICT COURT
FOR THE MIDDLE DISTRICT OF NORTH CAROLINA

UNITED STATES OF AMERICA :
:
v. :
:
HOUSE OF RAEFORD FARMS, INC. : 1:12CR~~248~~-1
GREGORY STEENBLOCK : 1:12CR~~248~~-2



The Grand Jury charges:

COUNT ONE

At all times relevant herein:

INTRODUCTION

CLEAN WATER ACT

1. The Federal Water Pollution Control Act, 33 U.S.C. § 1251 et seq., referred to as the Clean Water Act ("CWA"), was enacted by Congress to restore and maintain the chemical, physical and biological quality of the Nation's waters; to prevent, reduce and eliminate water pollution; and to conserve, protect and ensure the propagation of fish and aquatic life and wildlife in the United States.

2. The CWA regulates, among other things, the discharge of pollutants into sewage treatment plants operated by municipal governments, known as publicly-owned treatment works ("POTWs"), which discharge into waters of the United States.

3. The CWA prohibits the discharge of pollutants into the waters of the United States from any point source without a permit issued under the National Pollutant Discharge Elimination System ("NPDES"). 33 U.S.C. § 1311(a). Under the CWA, the U.S. Environmental Protection Agency ("EPA") may delegate the authority

to states to implement and enforce NPDES permits. North Carolina was delegated such authority in 1975.

4. Under NPDES, POTWs are required to establish pretreatment programs setting out requirements that must be met by industrial users discharging pollutants into the POTWs. 33 U.S.C. § 1342(b)(8); 40 C.F.R. § 403.3(q).

5. A pretreatment requirement imposed on an industrial user includes any substantive or procedural requirement, other than a national pretreatment standard, which relates to discharges from an industrial user to a POTW. 33 U.S.C. § 1342(b)(8); 40 C.F.R. § 403.3(r).

6. The CWA provides criminal penalties for persons who knowingly violate any requirement imposed in an approved pretreatment program. 33 U.S.C. § 1319(c)(2)(A).

CITY OF RAEFORD WASTEWATER TREATMENT PLANT

7. The City of Raeford Wastewater Treatment Plant is a POTW located at Highway 401 Business South, Raeford, Hoke County, North Carolina, and is owned and operated by the City of Raeford. The City of Raeford is authorized by an NPDES permit issued by the North Carolina Department of Environment and Natural Resources ("DENR") to discharge treated wastewater from the City of Raeford POTW to Rockfish Creek.

8. Under its NPDES permit, the City of Raeford must require all industrial users that discharge to the POTW to comply with the CWA, the General Pretreatment Regulations, and the City's Pretreatment Program, which was approved by DENR on May 31, 1983.

The City of Raeford is a Control Authority because it has an approved pretreatment program under 40 C.F.R. § 403.11. 40 C.F.R. § 403.3(f)(1). The City of Raeford Industrial Pretreatment Program incorporates a Sewer Use Ordinance and Industrial User Pretreatment Permit ("IUP") issued to industrial users.

DEFENDANTS

9. HOUSE OF RAEFORD FARMS, INC., is a North Carolina corporation, located at 520 East Central Avenue, Raeford, Hoke County, North Carolina. HOUSE OF RAEFORD FARMS, INC., owned and operated a poultry processing plant located at 1000 East Central Avenue, also in Raeford.

10. GREGORY STEENBLOCK was the Plant Manager at HOUSE OF RAEFORD FARMS, INC.'s Raeford facility. As Plant Manager, GREGORY STEENBLOCK was responsible for ensuring compliance with all local and federal environmental regulations and had the authority to prevent violations of the same. As such, GREGORY STEENBLOCK was a responsible corporate officer within the meaning of the Clean Water Act.

A. HOUSE of RAEFORD FARMS, INC.'s Manufacturing Processes and Generation of Wastewater

11. The HOUSE OF RAEFORD FARMS, INC., poultry processing plant operation generated a number of wastes, including animal grease, fats, and anatomical parts. Wastewater resulting from the poultry processing plant's operations contained all of these wastes.

12. At all times relevant herein, the untreated wastewater generated by the HOUSE OF RAEFORD FARMS, INC., poultry processing

plant included "pollutants" as defined by the Clean Water Act. 33 U.S.C. § 1362(6).

B. HOUSE OF RAEFORD FARMS, INC.'s Poultry Processing Operations and Discharge of Wastewater

13. HOUSE OF RAEFORD FARMS, INC., poultry processing operations involved the slaughter and processing of over 30,000 turkeys per day, five days a week. On each processing day, over an eight (8) hour period, workers killed the turkeys, removed feathers, blood, internal organs and other body parts not used for sale, and then refrigerated the turkeys for their eventual transport.

14. An average day of processing and clean-up from the processing at the facility generated approximately 1,000,000 gallons of wastewater, which contained feathers, blood, internal organs and other body parts.

15. The untreated wastewater from processing and clean-up was initially discharged to an "offal" area, where it was supposed to be held before being sent to the facility's wastewater pretreatment process. The wastewater was then sent to a flow equalization basin ("FEB"), a large pit which had a capacity of approximately 37,000 gallons of wastewater. The untreated wastewater was then pumped from the FEB to two Dissolved Air Flotation ("DAF") units, each of which had a capacity of 40,000 gallons. Once in the DAF units, the wastewater was treated with caustic and polymer, which caused the grease to rise to the top of the units. Once the grease separated from the wastewater, it was skimmed off the top and placed into a storage unit, which was

eventually trucked off-site. The treated wastewater from the DAF units was then pumped to the City of Raeford POTW.

16. From in or about no later than February 2005 until no earlier than in or about August 2006, on a routine and regular basis, HOUSE OF RAEFORD FARMS, INC., employees working in the processing area discharged thousands of gallons of untreated wastewater from the offal pit to the FEB. The FEB would routinely and regularly overflow because it did not have the capacity to hold all the untreated wastewater flowing from the offal pit, and because the HOUSE OF RAEFORD FARMS, INC., employees in the processing area would not release the untreated wastewater at a slower flow rate to the FEB.

17. From in or about January 2005 until no earlier than in or about August 2006, on a routine and regular basis, in order to keep the FEB from overflowing, HOUSE OF RAEFORD FARMS, INC., wastewater operators would bypass pretreatment at the DAF units and discharge the untreated wastewater directly to the sewer and the Raeford POTW. During this same time period, HOUSE OF RAEFORD FARMS, INC., wastewater operators, on several occasions, complained to GREGORY STEENBLOCK that they were forced to bypass the DAF units and send the untreated wastewater directly to the sewer and the Raeford POTW.

C. Prohibitions Against Bypasses of HOUSE OF RAEFORD FARMS, INC.'s Wastewater Pretreatment System

18. On or about July 17, 2000, the City of Raeford reissued to HOUSE OF RAEFORD FARMS, INC., Industrial User Permit Number 5161, which had previously been in effect. The permit allowed

HOUSE OF RAEFORD FARMS, INC., to discharge pre-treated wastewater from its facility to the City of Raeford POTW. The permit required that HOUSE OF RAEFORD FARMS, INC., could discharge only wastewater that met specific parameters, known as total suspended solids ("TSS"), biological oxygen demand ("BOD"), chemical oxygen demand ("COD") and acidity and caustic properties ("pH"). The permit was re-issued on or about July 1, 2005, and modified on June 15, 2006.

19. According to all versions of the permit, bypass of treatment facilities is prohibited except when approved in advance by the Control Authority.

20. On or about February 7, 2005, in the County of Hoke, in the Middle District of North Carolina, HOUSE OF RAEFORD FARMS, INC., and GREGORY STEENBLOCK knowingly discharged and caused others to discharge pollutants, namely, untreated wastewater from the HOUSE OF RAEFORD FARMS, INC.'s poultry processing facility, to the Raeford POTW, in violation of a requirement of the approved pretreatment program.

All in violation of Title 33, United States Code, Section 1319(c)(2)(A), and Title 18, United States Code, Section 2.

COUNT TWO

1. The Grand Jury realleges and incorporates herein by reference paragraphs 1 through 19 of Count One as if fully set forth herein.

2. On or about March 23, 2005, in the County of Hoke, in the Middle District of North Carolina, HOUSE OF RAEFORD FARMS, INC.,

and GREGORY STEENBLOCK knowingly discharged and caused others to discharge pollutants, namely, untreated wastewater from the HOUSE OF RAEFORD FARMS, INC., poultry processing facility, to the Raeford POTW, which violates a requirement of the approved pretreatment program; in violation of Title 33, United States Code, Section 1319(c)(2)(A), and Title 18, United States Code, Section 2.

COUNT THREE

1. The Grand Jury realleges and incorporates herein by reference paragraphs 1 through 19 of Count One as if fully set forth herein.

2. On or about March 28, 2005, in the County of Hoke, in the Middle District of North Carolina, HOUSE OF RAEFORD FARMS, INC., and GREGORY STEENBLOCK knowingly discharged and caused others to discharge pollutants, namely, untreated wastewater from the HOUSE OF RAEFORD FARMS, INC., poultry processing facility, to the Raeford POTW, which violates a requirement of the approved pretreatment program; in violation of Title 33, United States Code, Section 1319(c)(2)(A), and Title 18, United States Code, Section 2.

COUNT FOUR

1. The Grand Jury realleges and incorporates herein by reference paragraphs 1 through 19 of Count One as if fully set forth herein.

2. On or about April 4, 2005, in the County of Hoke, in the Middle District of North Carolina, HOUSE OF RAEFORD FARMS, INC.,

and GREGORY STEENBLOCK knowingly discharged and caused others to discharge pollutants, namely, untreated wastewater from the HOUSE OF RAEFORD FARMS, INC., processing facility, to the Raeford POTW, which violates a requirement of the approved pretreatment program; in violation of Title 33, United States Code, Section 1319(c)(2)(A), and Title 18, United States Code, Section 2.

COUNT FIVE

1. The Grand Jury realleges and incorporates herein by reference paragraphs 1 through 19 of Count One as if fully set forth herein.

2. On or about April 21, 2005, in the County of Hoke, in the Middle District of North Carolina, HOUSE OF RAEFORD FARMS, INC., and GREGORY STEENBLOCK knowingly discharged and caused others to discharge pollutants, namely, untreated wastewater from the HOUSE OF RAEFORD FARMS, INC., poultry processing facility, to the Raeford POTW, which violates a requirement of the approved pretreatment program; in violation of Title 33, United States Code, Section 1319(c)(2)(A), and Title 18, United States Code, Section 2.

COUNT SIX

1. The Grand Jury realleges and incorporates herein by reference paragraphs 1 through 19 of Count One as if fully set forth herein.

2. On or about August 8, 2005, in the County of Hoke, in the Middle District of North Carolina, HOUSE OF RAEFORD FARMS, INC.,

and GREGORY STEENBLOCK knowingly discharged and caused others to discharge pollutants, namely, untreated wastewater from the HOUSE OF RAEFORD FARMS, INC., poultry processing facility, to the Raeford POTW, which violates a requirement of the approved pretreatment program; in violation of Title 33, United States Code, Section 1319(c)(2)(A), and Title 18, United States Code, Section 2.

COUNT SEVEN

1. The Grand Jury realleges and incorporates herein by reference paragraphs 1 through 19 of Count One as if fully set forth herein.

2. On or about September 28, 2005, in the County of Hoke, in the Middle District of North Carolina, HOUSE OF RAEFORD FARMS, INC., and GREGORY STEENBLOCK knowingly discharged and caused others to discharge pollutants, namely, untreated wastewater from the HOUSE OF RAEFORD FARMS, INC., poultry processing facility, to the Raeford POTW, which violates a requirement of the approved pretreatment program; in violation of Title 33, United States Code, Section 1319(c)(2)(A), and Title 18, United States Code, Section 2.

COUNT EIGHT

1. The Grand Jury realleges and incorporates herein by reference paragraphs 1 through 19 of Count One as if fully set forth herein.

2. On or about October 11, 2005, in the County of Hoke, in the Middle District of North Carolina, HOUSE OF RAEFORD FARMS,

INC., and GREGORY STEENBLOCK knowingly discharged and caused others to discharge pollutants, namely, untreated wastewater from the HOUSE OF RAEFORD FARMS, INC., poultry processing facility, to the Raeford POTW, which violates a requirement of the approved pretreatment program; in violation of Title 33, United States Code, Section 1319(c)(2)(A), and Title 18, United States Code, Section 2.

COUNT NINE

1. The Grand Jury realleges and incorporates herein by reference paragraphs 1 through 19 of Count One as if fully set forth herein.

2. On or about January 29, 2006, in the County of Hoke, in the Middle District of North Carolina, HOUSE OF RAEFORD FARMS, INC., and GREGORY STEENBLOCK knowingly discharged and caused others to discharge pollutants, namely, untreated wastewater from the HOUSE OF RAEFORD FARMS, INC., poultry processing facility, to the Raeford POTW, which violates a requirement of the approved pretreatment program; in violation of Title 33, United States Code, Section 1319(c)(2)(A), and Title 18, United States Code, Section 2.

COUNT TEN

1. The Grand Jury realleges and incorporates herein by reference paragraphs 1 through 19 of Count One as if fully set forth herein.

2. On or about February 9, 2006, in the County of Hoke, in the Middle District of North Carolina, HOUSE OF RAEFORD FARMS,

INC., and GREGORY STEENBLOCK knowingly discharged and caused others to discharge pollutants, namely, untreated wastewater from the HOUSE OF RAEFORD FARMS, INC., poultry processing facility, to the Raeford POTW, which violates a requirement of the approved pretreatment program; in violation of Title 33, United States Code, Section 1319(c)(2)(A), and Title 18, United States Code, Section 2.

COUNT ELEVEN

1. The Grand Jury realleges and incorporates herein by reference paragraphs 1 through 19 of Count One as if fully set forth herein.

2. On or about February 22, 2006, in the County of Hoke, in the Middle District of North Carolina, HOUSE OF RAEFORD FARMS, INC., and GREGORY STEENBLOCK knowingly discharged and caused others to discharge pollutants, namely, untreated wastewater from the HOUSE OF RAEFORD FARMS, INC., poultry processing facility, to the Raeford POTW, which violates a requirement of the approved pretreatment program; in violation of Title 33, United States Code, Section 1319(c)(2)(A), and Title 18, United States Code, Section 2.

COUNT TWELVE

1. The Grand Jury realleges and incorporates herein by reference paragraphs 1 through 19 of Count One as if fully set forth herein.

2. On or about March 20, 2006, in the County of Hoke, in the Middle District of North Carolina, HOUSE OF RAEFORD FARMS, INC.,

and GREGORY STEENBLOCK knowingly discharged and caused others to discharge pollutants, namely, untreated wastewater from the HOUSE OF RAEFORD FARMS, INC., poultry processing facility, to the Raeford POTW, which violates a requirement of the approved pretreatment program; in violation of Title 33, United States Code, Section 1319(c)(2)(A), and Title 18, United States Code, Section 2.

COUNT THIRTEEN

1. The Grand Jury realleges and incorporates herein by reference paragraphs 1 through 19 of Count One as if fully set forth herein.

2. On or about March 28, 2006, in the County of Hoke, in the Middle District of North Carolina, HOUSE OF RAEFORD FARMS, INC., and GREGORY STEENBLOCK knowingly discharged and caused others to discharge pollutants, namely, untreated wastewater from the HOUSE OF RAEFORD FARMS, INC., poultry processing facility, to the Raeford POTW, which violates a requirement of the approved pretreatment program; in violation of Title 33, United States Code, Section 1319(c)(2)(A), and Title 18, United States Code, Section 2.

COUNT FOURTEEN

1. The Grand Jury realleges and incorporates herein by reference paragraphs 1 through 19 of Count One as if fully set forth herein.

2. On or about August 4, 2006, in the County of Hoke, in the Middle District of North Carolina, HOUSE OF RAEFORD FARMS, INC.,

and GREGORY STEENBLOCK knowingly discharged and caused others to discharge pollutants, namely, untreated wastewater from the HOUSE OF RAEFORD FARMS, INC., poultry processing facility, to the Raeford POTW, which violates a requirement of the approved pretreatment program; in violation of Title 33, United States Code, Section 1319(c)(2)(A), and Title 18, United States Code, Section 2.

A TRUE BILL:

FOREPERSON


CLIFTON T. BARRETT
ASSISTANT UNITED STATES ATTORNEY


RIPLEY RAND
UNITED STATES ATTORNEY

IGNACIA S. MORENO
ASSISTANT ATTORNEY GENERAL
ENVIRONMENT AND
NATURAL RESOURCES DIVISION

BY:

MARY DEE CARAWAY, TRIAL ATTORNEY
ENVIRONMENTAL CRIMES SECTION


DANIEL W. DOOHER, TRIAL ATTORNEY
ENVIRONMENTAL CRIMES SECTION